

STATE OF TEXAS §
COUNTIES OF ARANSAS §
SAN PATRICIO AND NUECES §
CITY OF ARANSAS PASS §

On this the 13th day of June, 2011 the City Council of the City of Aransas Pass convened in a Special Joint Meeting with the Aransas Pass Municipal Development District (APMDD) being open to the Public at the regular meeting place thereof in the City Hall and notice of said meeting giving the time, place, date and subject hereof having been posted and prescribed by Chapter 551 of the Texas Government Code with the following attendance to wit constituting a quorum.

COUNCIL PRESENT:	Tommy Knight	Mayor
	Phillip Hyatt	Mayor Pro Tempore
	James A. Mills	Council Member
	Ross McElwee	Council Member
	Vickie Abrego	Council Member

ABSENT:

APMDD PRESENT	Hope Comingore	President
	Karen Gayle	Vice-President
	Vickie Abrego	Secretary
	James Covington	Director
	Randall Freeze	Director
	Nancy Davis	Director
	Mary Ann Heimann	Director
	Stephen Walls	Director

ABSENT:	Terry Stansberry	Treasurer
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ADMINISTRATIVE PERSONNEL PRESENT:	Reggie Winters	City Manager
	Yvonne Stonebraker	City Secretary

ADMINISTRATIVE PERSONNEL ABSENT:	Allen Lawrence	City Attorney
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STAFF PRESENT:	Sandy Roddel	Finance Director
	Rickie Kilgore	Fire Chief
	Earl Buckmaster	Harbor Master

OTHERS PRESENT: Pat Martinez, Jim & Alpha Covington, Karen Gayle, Judy Ruhmann, Venus Mills, Mary Ann Heimann, Michael Dallas, Mr. & Mrs. Mirkovich, Donald & Jeanie Brummett, Collette Walls, Annette Schonhoeft, Morgan Hill, Hope Comingore, Stephen Walls, Ann Melton, Nancy Davis, Tom Morse, Randy & Jean Hunter, Nancy Allen, Jennifer Thomas, Virginia Bufkin and Randall Freeze.

There may have been others present who did not sign in.

1. CALL MEETING TO ORDER.

Mayor Knight called the special meeting to order at 7:00 PM.

2. CONSIDER AND ACT ON TERMINATING THE CIVIC CENTER MANAGEMENT AGREEMENT BETWEEN THE CITY OF ARANSAS PASS AND VENUWORKS.

Mayor Knight stated a rumor was going around that the City of Aransas Pass wanted to close the Aransas Pass Civic Center. He stated that rumor was far from the truth and closing the Aransas Pass Civic Center had never been discussed.

The City Council heard statements from Ms. Judy Rurhmann, Chairman of The Woman's Club, Ms. Pat Martinez, a member of The Woman's Club and fund raising chairmen for the SPCA, Former Mayor Billy St. Clair, Ms. Annette Schonhoeft, Director of the Aransas Pass Civic Center, Mr. Larry Guranski, Regional Director of VenuWorks Management Company and Executive Director of a facility in Vicksburg, Mississippi, Ms. Karen Gayle, APMDD Vice-President, Ms. Hope Comingore, APMDD President and Ms. Collette Walls, AP Chamber of Commerce on the facility, food service, staff, and rentals of the Aransas Pass Civic Center.

Mayor Knight stated Executive Director Annette Schonhoeft was doing a terrific job and he didn't have any problems with VenuWorks Management Company. He stated he was concerned with making the August 2012 bond payment. He stated the City's money projection is showing a \$24,000.00 shortfall and would like to hear solutions for it.

Council Member Abrego stated the APMDD had asked her if the City had a plan in place for the Aransas Pass Civic Center if the City canceled the VenuWorks Management Agreement. She stated she had told the APMDD that she was not aware of an existing plan. She stated the City Council did not have enough information to vote on terminating the VenuWorks Management Agreement.

Council Member McElwee stated he loved attending functions at the Aransas Pass Civic Center and actually loved the way the Civic Center was run. He stated terminating the VenuWorks Management Agreement was not about their (VenuWorks) services but about a solution on making up the deficit of the balance on the funding of the August 2012 bond payment. He stated sales tax had a deficit of \$492,000 last year and the City was looking at an 11% ad valorem tax increase to cover one bond payment (August 2012) with the next bond payment due January 2013. He stated now the City is looking at about a 20% ad valorem tax increase to cover both bond payments. He stated the City of Aransas Pass had a triple A bond rating. He stated if the APMDD did not have the money to cover the August 2012 bond payment and the City of Aransas Pass did not have the money to cover the August 2012 bond payment, the City of Aransas Pass would lose their triple A bond rating.

APMDD Vice-President Karen Gayle asked Council Member McElwee if the city council could get some hard numbers on how much it would cost the City if the City took over the management of the Aransas Pass Civic Center.

Council Member McElwee stated he did not necessarily want the City of Aransas Pass to manage the civic center. He stated he had this agenda item put on the agenda to get the APMDD's attention. He stated the City was falling into a hole that was unsustainable. Council Member McElwee stated the Civic Center was managed by the APMDD. He stated the City Council had a joint meeting with the APMDD last year and the City Council told the APMDD that the City was in a bind and that the City had a hiring freeze and raises would not be given out to City employees (for a third year in a row). He stated since then the Aransas Pass Civic Center hired more employees and the employees had received raises.

After further discussion, Mayor Knight stated the Council should table agenda item number two (2). He stated the Council should instruct City Manager Winters and City Finance Director Sandy Roddel to set up a meeting with the civic center Executive Director Annette Schonhoeft and some members of the APMDD to discuss the problem and to come up with a possible solution.

Council Member Abrego asked if the Council could hold off on agenda item number two (2) for six (6) months. She stated that would give the City Council and the APMDD time to come up with a possible solution.

Council Member McElwee stated he would like to move the time from six (6) months to sixty (60) days so he (Council Member McElwee) could fit the solution into his budgetary needs.

Council Member Abrego made a motion to table agenda item number two (2) for six (6) months so the City Council, APMDD, VenuWorks, the City manager and City finance director could meet and come up with a funding solution. Council Member Hyatt seconded the motion and the motion carried with Council Member McElwee and Council Member Mills voting no.

3. ADJOURNMENT OF MEETING.

Council Member Mills made a motion to adjourn the meeting. Council Member McElwee seconded the motion and the motion carried unanimously.

Mayor Knight adjourned the meeting at 9:00 P.M.

Tommy Knight, Mayor

ATTEST:

Yvonne Stonebraker, City Secretary